

I would like to join with others to support this resolution urging government and educators throughout the world to reaffirm the importance of academic freedom and open dialogue and to condemn measures that would prevent the sharing and exchange of knowledge.

## COLLEGE COST REDUCTION ACT OF 2007

SPEECH OF

**HON. VIRGINIA FOXX**

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 11, 2007*

Ms. FOXX. Mr. Speaker, much of the \$18 billion in new spending in the College Cost Reduction Act doesn't reduce the cost of college, but instead consists of new entitlements targeted at people who aren't even students. The bill cuts loan interest rates for those who have graduated from college—to the tune of \$6.2 billion. This is less than the amount the bill allocates towards Pell Grants—a form of aid that actually goes to students.

With so many new entitlements in this bill, I am concerned about the direction we are headed. Most of these new entitlements are given to institutions and to college graduates. The bill creates new TEACH Grants at a cost to taxpayers of \$375 million. This new entitlement gives grants to colleges and universities. It doesn't cut the cost of college for students—instead it moves towards creating a system that discourages personal responsibility and has no congressional accountability.

For instance, this bill expands a government program to repay the education loans of public sector employees. Public sector jobs include those in emergency management, government, public safety, law enforcement, public health, education, public social work, and public interest legal work. The current program repays loans remaining after 25 years of payment, but the expanded program grants loan forgiveness after 10 years of repayment, dramatically decreasing borrowers' incentive to pay off their loans.

Take for example a college graduate working in the public sector and making \$35,000 a year. If he or she has \$20,000 in debt upon graduation, this debt would be paid off within 25 years and the Federal Government would not have to pay off any remaining balance. But under the new terms the federal loan forgiveness comes at 10 years, which in this case means a payoff of more than \$10,000.

This is a new \$10,000 entitlement that creates incentives which directly discourage people in public service jobs from investing their own money in college debt. Why would someone pay off his debt at a rate any faster than the absolute minimum if he or she knows that in 10 years the Federal Government will come along and erase the remaining balance?

I want Americans to have access to education, but I don't want this access to come at the cost of a new entitlement mentality and increased dependence on the Federal Government for meeting the cost of education. At a time when we face massive increases in the cost of entitlement programs, I question the responsibility of constructing a whole new set of entitlements that will saddle future generations with new layers of government spending

and the higher taxes needed to fund these entitlements.

Education is important for the success of this nation, but giving entitlements to institutions and college graduates is not the way to lower the cost of college. In fact, heaping helpings of new entitlements will do much to undermine our national success as we face an impending entitlement crisis in the coming decades.

SCENARIO 1: INCOME-CONTINGENT REPAYMENT FOR PUBLIC SECTOR EMPLOYEES UNDER H.R. 2669, THE COLLEGE COST REDUCTION ACT (10 YEAR PERIOD)

### REPAYMENT PLAN FOR PUBLIC SECTOR EMPLOYEES

The Secretary shall forgive the balance due on any loan for a borrower who makes 120 payments (monthly payments over a ten year period) on such loan pursuant to income-contingent repayment. And who is employed, and was employed for the 10-year period in which the borrower made the 120 payments, in a public sector job. This includes full-time jobs in emergency management, government, public safety, law enforcement, public health, education (including early childhood education), social work in a public child or family service agency, or public interest legal services (including prosecution or public defense).

Loan amount	AGI	Borrower payments (over 10 year period)	Forgiveness <sup>1</sup> (after the 10 years)
\$20,000 .....	\$35,000	\$20,887 (\$174 monthly, 5.9%)	\$10,026 (\$30,913 total)
20,000 .....	50,000	24,426 (\$204 monthly, 4.9%)	5,183 (\$29,609 total)
20,000 .....	65,000	26,140 (\$218 monthly, 4.0%)	2,838 (28,978 total)
50,000 .....	35,000	28,700 (\$239 monthly, 8.2%)	57,138 (85,838 total)
50,000 .....	50,000	58,700 (\$489 monthly, 11.7%)	16,194 (\$74,894 total)
50,000 .....	65,000	\$65,350 (\$545 monthly, 10.0%)	7,093 (72,443 total)

### SCENARIO 2: UNDER CURRENT LAW (25 YEAR PERIOD)

Loan amount	AGI	Borrower payments (over 25 year period)	Forgiveness <sup>1</sup> (after the 25 years)
\$20,000 .....	\$35,000	\$33,433 (\$111 monthly, 3.8%) [12,546 more than 10 yr]	\$0 (\$33,433 total)
20,000 .....	50,000	30,230 (\$100 monthly, 2.4%) [5,804 more than 10 yr]	0 (\$30,230 total)
20,000 .....	65,000	29,198 (\$97 monthly, 1.8%) [3,058 more than 10 yr]	0 (\$29,198 total)
50,000 .....	35,000	71,751 (\$239 monthly, 8.2%) [43,051 more than 10 yr]	70,188 (\$141,939 total)
50,000 .....	50,000	77,263 (\$257 monthly, 6.2%) [18,563 more than 10 yr]	0 (\$77,263 total)
50,000 .....	65,000	72,996 (\$243 monthly, 4.5%) [9,646 more than 10 yr]	0 (\$72,996 total)

<sup>1</sup> Covers interest incurred, no cap on forgiveness (however, there if a threshold where you would be able to pay off your loan during the 10 year period and the forgiveness would not apply)

## NATIONAL HOMELESS YOUTH AWARENESS MONTH

SPEECH OF

**HON. BETTY MCCOLLUM**

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 11, 2007*

Ms. MCCOLLUM of Minnesota. Mr. Speaker, I rise today in support of H. Res. 527 to

recognize the month of November as "National Homeless Youth Awareness Month."

Addressing youth homelessness needs to be a priority for Congress. As many as 1.6 million youth in our country experience homelessness each year, and in my home State of Minnesota, each night, 500 to 600 people under the age of 18 are unaccompanied and homeless. Many times these young people have been mistreated or abused, and without a permanent home, they face increased vulnerability to mental illness, drug use, and sexual abuse.

Establishing a National Homeless Youth Awareness Month is an important step toward bringing awareness to this serious problem and highlighting the work that is being done to address it.

I commend and will continue working with the organizations in the St. Paul/Minneapolis area that are dedicated to reducing and eliminating youth homelessness. For example, the Lutheran Social Service Rezek House is a Transitional Living Program, TLP, providing youth with a safe place to live for up to 2 years while they stabilize and learn the critical life skills they need to support themselves. Additionally, SafeZone is an organization helping low-income, runaway, and homeless youth to meet their basic needs by providing them with food, clothing, HIV testing, and referrals to safe housing. It also offers tutoring, independent living skills training, and a support group for Gay, Lesbian, Bisexual, and Transgender, GLBT, youth, who are disproportionately represented among homeless youth.

Also, because our communities and our youth are diverse and have culturally specific needs, Ain Dah Yung, which means "our home" in the Ojibwe language, supplies a safe, culturally-relevant space for American Indian youth in the Twin Cities. Providing services for approximately 500 youth and families, services available through Ain Dah Yung include emergency shelter, crisis intervention, counseling, case management, and medical care.

Ensuring that all young people have access to safe, supportive housing is essential. I urge my colleagues to join me in support of establishing November as "National Homeless Youth Awareness Month."

## PERSONAL EXPLANATION

**HON. LOUISE MCINTOSH SLAUGHTER**

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, July 17, 2007*

Ms. SLAUGHTER. Madam Speaker, I was unable to be present for rollcall votes 625, 626, 627, 628, and 629. Had I been present, I would have voted "no" on rollcall vote 625, "no" on rollcall vote 626, "no" on rollcall vote 627, "no" on rollcall vote 628, and "yea" on rollcall vote 629.

## A TRIBUTE TO GILDA BOJORQUEZ- GJURICH

**HON. LUCILLE ROYBAL-ALLARD**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, July 17, 2007*

Ms. ROYBAL-ALLARD. Madam Speaker, I rise today to pay tribute to an outstanding